



MVL Industries Limited

Chairman & Managing Director

Mr. Prem Adip Rishi

Executive Director

Mr. Rakesh Gupta

Directors

Mr. Suresh Kumar Varma

Mr. Rajesh Galhotra

Mr. Vijay Kumar Sood

Mrs. Kalpana Gupta

Auditors

M/s Arun Kishore & Co.

Chartered Accountants, New Delhi

Company Secretary

Mrs. Chetna Tyagi

Bankers

Punjab National Bank

UCO Bank

Allahabad Bank

Punjab & Sindh Bank

Standard Chartered Bank

IDBI Bank Limited

State Bank of Mysore

Registered and Corporate Office

"Media House"

B-86/1, Okhla Industrial Area,

Phase-II, New Delhi-110020.

Works

A-785, RIICO Industrial Area,

Bhiwadi, Distt. Alwar, Rajasthan.



MVL Industries Limited

NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Members of MVL Industries Limited will be held on Wednesday, 22nd December, 2010 at 12.30 P.M. at MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054 to transact the following businesses as:

Ordinary Business:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 30th June, 2010 and Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Suresh Kumar Varma who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Kalpana Gupta retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

**By Order of the Board of Directors
For MVL Industries Limited**

Sd/-

**Place: New Delhi
Date : 16th November, 2010**

**Prem Adip Rishi
Chairman & Managing Director**

Notes:

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself. Such a proxy need not be a member of the Company.**
2. The enclosed proxy form, if intended to be used, should be returned duly filled, stamped and authenticated at the Registered Office of the Company not less than 48 hours before the scheduled time of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **20th December, 2010 to 22nd December, 2010 (both days inclusive).**
4. Members are requested to inform immediately any change in their registered address to the Company at its registered office.
5. The shares of the Company are being traded compulsorily in the demat form only. Members who still hold the shares of the Company in the physical form are advised to have their holdings dematerialized in their own interest through authorized depository participant.
6. Members are requested to bring their copies of Annual Report to the meeting.
7. **Appointment/Re-appointment of Director(s):**
Pursuant to the provisions of Articles of Association, Mr. Suresh Kumar Varma and Mrs. Kaplana Gupta are retiring by rotation at the ensuing Annual General Meeting of the Company. The brief resumes of such Directors and other information as per Clause 49 of the Listing Agreement with the Stock Exchanges are given in the Report on Corporate Governance.



MVL Industries Limited

DIRECTORS' REPORT

To the Members

Your Directors have immense pleasure in presenting the 23rd Annual Report and Audited Statement of Accounts for the year ended 30th June, 2010.

1. FINANCIAL RESULTS

Particulars	(Rs. in lacs)	
	Year ended 30.06.2010	Year ended 30.06.2009
Sales & Other Income	45357.09	36042.17
Profit Before Tax	1920.00	1236.60
Provision for Taxation		
• Current Tax	330.00	339.63
• Fringe Benefit Tax	-	5.10
• Deferred Tax	(9.91)	(86.15)
Profit After Tax	1599.69	978.02
Surplus brought forward	5097.02	4218.99
Profit available for appropriation	6696.70	5197.02
Transfer to General Reserve	100.00	100.00
Balance Carried Forward	6596.70	5097.02

2. FINANCIAL / OPERATION PERFORMANCE REVIEW

During the year under review, the Company recorded a turnover of Rs.43,750.80 Lacs as compared to Rs. 35,482.40 Lacs during the previous year, thus recording a growth of around 21.72% over that of last year. Further, the Company has earned a Profit before Tax of Rs.1919.78.Lacs as against Rs.1236.60 Lacs last year. The Profit after Tax has increased to Rs. 1599.69 Lacs from Rs. 978.02 Lacs of the last year.

3. DIVIDEND

Keeping in view the future growth plans of the Company and requirement of fund for such plans, the directors of your Company do not recommend any dividend for the year under review.

4. LISTING OF SHARES

The Board in their meeting held on 31.03.2010, had allotted 5,00,000 equity shares of Rs.10/- each to M/s Media Magnetic Cassettes Private Limited and 1,81,702 equity shares of Rs.10/- each to M/s MVL Credits Holdings and Leasing Limited on exercising their option to convert Optionally Convertible Warrants into Equity Shares, which was issued and allotted to them on 07/08/2009 These shares got listed on National Stock Exchange of India Ltd (NSE) vide their letter no. NSE/LIST/2010/144655-J dated 16.08.2010 effective from 17.08.2010 and Bombay Stock Exchange Limited (BSE) vide their letter no. 20100816-23 dated 16.08.2010 effective from 17.08.2010.

5. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr.

Suresh Kumar Varma and Mrs. Kalpana Gupta, Directors of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

Further, during the year under review, there was no change in the directorship of the Company.

Brief resumes of Directors proposed to be so appointed or re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and their memberships/ chairmanships on Board Committees of various Companies, have been provided in the Corporate Governance Report.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state and confirm as under:

- That in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- That appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year as on 30th June, 2010 and the Profit of the Company for that period;
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the annual accounts have been prepared on a going concern basis.

7. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under Clause 49(F) of the Listing Agreement is annexed hereto as Annexure-I and forms part of the Directors' Report.

8. CORPORATE GOVERNANCE & COMPLIANCE CERTIFICATE

A detailed report on corporate governance of the Company as required under Clause 49(VI) of the Listing Agreement is enclosed as Annexure-II. A Practicing Company Secretary has certified compliance with the requirement of corporate governance in relation to Clause 49 of the Listing Agreement.

9. FIXED DEPOSITS

Your Company has neither invited nor accepted any deposits from the public within the meaning of the Companies (Acceptance of Deposits) Rule, 1975, during the last financial year.



MVL Industries Limited

10. AUDITORS

M/s. Arun Kishore & Co., Chartered Accountants, New Delhi, the Statutory Auditors, retire at the conclusion of ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office if reappointed. They have furnished a certificate stating that their re-appointment would be within the limits specified under Section 224(IB) of the Companies Act, 1956.

The Audit Committee and the Board recommends the re-appointment of M/s Arun Kishore & Co., Chartered Accountants.

11. AUDITORS' REPORT

The Auditors' Report to the members together with Audited Accounts for the year ended 30th June 2010 and notes thereon are attached, which are self-explanatory except their remark regarding unconfirmed balances and not providing provision of doubtful debts, to which the board provides the following explanation:

- (i) Unconfirmed balances of some of Sundry Debtors, Creditors, Loans, Advances & Deposits: Company has its own Internal Audit System to monitor the reconciliation periodically, hence, confirmation of all outstanding balances at the year end are not taken;
- (ii) Non-provision of doubtful debts and advances: Company is hopeful for their recovery during the ensuing year, so no provision has been created.

12. PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended is as follows:

Name of the Employees	Designation	Remuneration * (in Rs.)	Qualification	Experience	Date of Commencement of Employment	Age	Particulars of the last employment
Mr. Prem Adip Rishi	Chairman & Managing Director	38,50,000	B. Sc.	34 Years	01.04.1993	57	Own Business
Mr. Rakesh Gupta	Whole Time Director	17,67,000	FCA	22 Years	20.10.1997	46	Service

* Remuneration includes the basic salary and allowances.

13. PERSONNEL

The employer-employee relations throughout the year were very cordial. The Company enjoys a healthy working atmosphere that inspires the employees to put their best foot forward in achieving a high-sustainable growth. The Directors also wish to place on record the support and confidence reposed in the management by the employees. Total quality in every sphere of activities, employee training

and development continues to be on the top priority of your management.

14. CONSERVATION OF ENERGY

The Company is not covered under Schedule to Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 therefore not required to make any disclosure of particulars with respect to conservation of energy.

15. RESEARCH AND DEVELOPMENT

Since the market scenario and technologies are changing rapidly, research and development (R&D) is important to ensure that Company increases its market share. The Company always attempts to use the latest and advanced technology in production process. Keeping pace with the technological developments, the Company keeps on adding sophisticated equipments with focus on automation to minimize manual intervention in the manufacturing process thereby ensuring better quality of the final products.

16. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Foreign Exchange Earnings	Rs. Nil
b) Foreign Exchange Outgo	
- CIF value of imports of raw material and other goods	Rs. 23.18 Lacs
- Foreign travel	Rs. 0.14 Lacs

17. ACKNOWLEDGEMENT

Your Company has outperformed the industry in a challenging year and continues to maintain its leadership position. It has also been surpassing all international quality and cost benchmarks and continues to build shareholder value.

Your Directors look to the future with confidence and place on record their appreciation for the overwhelming co-operation and assistance received from investors, customers, business associates, bankers, vendors as well as regulatory and government authorities. Your Directors also thank the employees at all levels who, through their dedication, co-operation, support and smart work have enabled the Company to achieve rapid growth.

**By Order of the Board of Directors
For MVL Industries Limited**

**Place: New Delhi
Date: 16th November, 2010**

**Sd/-
(Prem Adip Rishi)
Chairman & Managing Director**



MVL Industries Limited

Annexure-I

MANAGEMENT DISCUSSION AND ANALYSIS

The management has a great pleasure in presenting this Report as a part of Director's Report in compliance to the Corporate Governance Code of Securities and Exchange Board of India under Clause 49(F) of the Listing Agreement.

1. Industry Structure

After facing the global recession India's economy is poised for growth at a faster pace in 2010-11 than expected, supported by a global recovery, domestic demand and a double-digit expansion in factory output. According to a study Indian incomes are likely to grow three-fold over the next two decades and India will become the world's fifth largest consumer market by 2025.

With a population of more than 100 Crores coupled with changing life style, higher disposable income, greater product awareness and affordable pricing, the consumer electronics industry has become one of the key segments in the electronics industry in India. The consumer electronics industry in India is a \$ 5 billion industry, which is growing at a rate of 10-12% every year.

Along with the manufacturing sector for capital goods, the manufacturing sector for consumer durables were prime contributors to the robust growth in the Index of Industrial Production (IIP), which grew by 16.7 percent in January 2010.

The Indian market exhibits contradictions that may be unique to this market. In addition to being a growing market, the Indian market also exhibits a diversity which is one of the key factors that has assisted India to drive through the economic crisis. While demand for premier products is increasing in India due to the changing lifestyle of consumers, low end products are also expected to find huge market in rural areas.

In order to tap semi-urban and rural demand, the Company's distribution networks has expanded in these areas. The move has positively impacted sales for rural expansion. The consumers in these areas are not as brand-conscious as their urban counterparts. Due to the lower prices of our products, these consumers have been inclined to buy our products, because they get value for the money they spend. We may add here that India has an increasingly affluent middle class population that on the back of rapid growth, has made the country's consumer electronics industry highly dynamic. But still, the consumer electronics goods, like DVD Players and Music Systems have low penetration in the country, representing vast room for future growth.

2. SWOT Analysis

Strengths

- More than two decades old, professionally managed Company.
- Experienced, committed and forward-looking Management Team.
- Dedicated Distributor-Dealers Network spread all over the country enabling the Company to have faster and wide access to the market.
- Good Quality product portfolio with strong brand value & consumer confidence.
- Reputed "MEDIA" brand in general masses.

Weaknesses

- Dependence on Supplier of Products.
- Low margin on products because of severe competition.

Opportunities

- Continued growth in the consumer electronics market.
- Large and fast growing market for the Company's products viz. consumer electronics items.
- Rising disposable income.
- Electrification in rural India and increasing aspirations of people in rural India.

Threats

- Risk of technical obsolescence.
- Competition in general in consumer electronic industry and also from unorganized/gray market.
- Government policy on Taxation has significant impact on the price and thus demand for the Company's products.

3. Adequacy of Internal Control Systems

The Company has set up an internal control procedures commensurate with its size and nature of the business and periodically reviews the internal control system and procedures leading to the orderly and efficient conduct of its business. These business procedures ensure optimum use and protection of the resources and compliance with the policies, procedures and statutes. The internal control systems provide for well defined policies, guidelines, authorization and approval procedures. The prime objective of such audits is to test the adequacy and effectiveness of the internal controls laid down by management and to suggest improvements.

The Audit Committee of the Board, Statutory Auditors and the Management are regularly apprised of internal audit findings. The Audit Committee of the Company consisting of Non-Executive and Independent Directors.

4. Material Development in Human Resources

The company lays lot of importance on manpower rationalization and efficiency improvement. The company believes that human resources are vital resources for giving the company a competitive edge in the current business environment. The Company strictly follows the philosophy of congenial work environment, performance oriented work culture, knowledge, skill building, creativity and responsibility and performance based compensation. Action has been taken to develop and enhance the skills of human resource.

5. Cautionary Statement

The statements in the Directors' and Management Discussion and Analysis Report describing the Company's projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the company's operations are influenced by many external and internal factors beyond the control of the Company.

By Order of the Board of Directors
For MVL Industries Limited

Sd/-

Place: New Delhi

(Prem Adip Rishi)

Date: 16th November, 2010

Chairman & Managing Director



MVL Industries Limited

Annexure-II

REPORT ON CORPORATE GOVERNANCE

1. The Company's philosophy on Code of Governance

Corporate Governance provides a framework within which stakeholders pursue the objectives of the organization most effectively and signifies acceptance by management of the inalienable rights of the shareholders as the true owners of the organization and of their own role as trustees on behalf of them. Corporate Governance has been a high priority for us both in the letter and in spirit. Our commitment to ethical and lawful business conduct is a fundamental shared value of our Board of Directors, senior management personnel and employees and is critical to the Company's success. Our standards for business conduct provide that we will uphold ethical and legal standards vigorously as we pursue our financial objectives. We believe that good governance brings about sustained corporate growth and long-term benefits to the stakeholders by adopting the following business philosophy:

- Fairness, transparency, accountability and fair to all stakeholders;
- Without compromising on the ethics and principles creating value for all stakeholders;
- Compliance with the law of land; and
- Clear communication of significant information leading to high degree of disclosures and transparency in the conduct of management and the business.

2. Board of Directors

The present strength of the Board of Directors of the Company is six which besides Chairman & Managing Director, comprise of 1 (one) Executive Director and 4 (four) Non-Executive Directors. The Composition of the Board is in conformity with the Listing Agreement. No Director is a member of more than 10 (ten) committees or acts as Chairman of more than 5 (five) committees across all companies in which he/she is a Director.

i) Composition of the Board of Directors

Name of the Directors	Designation	Category (Independent/ Non-executive/ Executive)	Number of Directorships held in other Companies	Number of Board Committee membership/ chairmanship held in other companies
				Chairman Member
Mr. Prem Adip Rishi	Chairman & Managing Director	Promoter Director	8	— 3
Mr. Rakesh Gupta	Whole Time Director	Executive Director	4	2 2
Mr. Rajesh Galhotra	Director	Non-Executive Director	2	— —
Mr. Suresh Kumar Varma	Director	Non-Executive Independent Director	—	— —
Mr. Vijay Kumar Sood	Director	Non-Executive Independent Director	2	2 —
Mrs. Kalpana Gupta	Director	Non-Executive Independent Director	5	— —

- Number of directorships in other companies excludes alternate directorships, directorships held in private limited companies, foreign companies and in companies under Section 25 of the Companies Act, 1956.

- The Committees considered for the purpose are those prescribed under Clause 49 of the Listing Agreement(s).

ii) Attendance Record of Directors

Name of the Director	No. of Board meetings held	No. of Board meetings attended	Whether attended last AGM held on 29-12-2009
Mr. Prem Adip Rishi	25	25	Yes
Mr. Rakesh Gupta	25	25	Yes
Mr. Rajesh Galhotra	25	25	Yes
Mr. Suresh Kumar Varma	25	25	Yes
Mr. Vijay Kumar Sood	25	25	No
Mrs. Kalpana Gupta	25	25	Yes

iii) No. of Board Meetings held

As per the Listing Agreement, the Board must meet at least four times a year with a maximum gap of not more than four months between any two meetings.

During the year, total 25 (Twenty Five) Board Meetings were held on various dates as per details given below:

15.07.09	16.07.09	17.07.09	07.08.09
22.08.09	31.08.10	26.09.09	03.10.09
30.10.09	09.11.09	18.11.09	20.11.09
21.12.09	29.01.10	30.01.10	08.02.10
13.02.10	26.03.10	31.03.10	03.04.10
13.04.10	10.05.10	12.05.10	24.05.10
22.06.10			

iv) Brief resume of Directors proposed for appointment/re-appointment

- Mr. Suresh Kumar Varma**, aged 66 years is a Chartered Accountant. He has to his credit around 40 years of professional experience and is an Ex-Banker of Bank of Baroda. He brings with him wide range of Financial Accounting and Operational Experience. In addition to that, he has also rendered consultancy and financial advisory services to various organization and institutions.
- Mrs. Kalpana Gupta**, aged 47 years is a science graduate and also an Intermediate from the Institute of Chartered Accountants of India. She has to her credit around 21 years of experience in accounts and taxation matters.

v) No. of Shares held by Non-Executive Directors

Mr. Rajesh Galhotra, Non-Executive Director was holding 60 equity shares of the Company as on 30.06.2010.

vi). Relationship between Directors inter-se

Mr. Prem Adip Rishi, Chairman & Managing Director of the Company and Mr. Rajesh Galhotra, Director of the Company are related to each other.

3. Committees of the Board

MVL Industries Limited has the following Committees of its Directors for the compliance with various Corporate Governance requirements:

- Audit Committee,
- Remuneration Committee,
- Share Transfer cum Demat Committee,
- Shareholders Grievance Redressal Committee.



MVL Industries Limited

a. Audit Committee

The Audit Committee is constituted in conformity with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges.

The Audit Committee would assure to the Board, adherence of adequate internal control and financial disclosure and other acts confirming to the requirements of Listing Agreement with the Stock Exchanges.

Presently, Audit Committee comprises 3 (three) members out of which 2 (two) are Non-Executive and Independent Directors viz. Mr. Suresh Kumar Varma (Chairman), Mrs. Kalpana Gupta and one is Non-Executive Director viz. Mr. Rajesh Galhotra. The Company Secretary of the Company i.e Mrs. Chetna Tyagi is the Secretary of the Committee.

The constitution as well as the terms of reference of the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

Four meetings of the Audit Committee were held on 26.09.2009, 30.10.2009, 30.01.2010, 12.05.2010.

The attendance at the Audit Committee:

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mr. Suresh Kumar Varma	Chairman	4	4
Mrs. Kalpana Gupta	Member	4	4
Mr. Rajesh Galhotra	Member	4	4
Mr. Rakesh Gupta	Permanent Invitee	4	4

b. Remuneration policy and remuneration Committee

The Remuneration Committee of the Company comprises of 3 (three) Non-Executive and Independent Directors viz. Mr. Suresh Kumar Varma (Chairman), Mr. Rajesh Galhotra & Mrs. Kalpana Gupta. The Company Secretary of the Company is the Secretary of the Committee.

The details of the remuneration paid to the Directors of the Company during the year are as follows:

Name of the Directors	*Gross Remuneration (in Rs.)	Sitting Fees(in Rs.)	Total(in Rs.)
Mr. Prem Adip Rishi	38,50,000/-	—	38,50,000/-
Mr. Rakesh Gupta	17,67,000/-	—	17,67,000/-

*Gross Remuneration includes Basic Salary, Perquisites and Allowances, Contribution to Provident and other Funds.

The Non-Executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board attended by them.

c. Share Transfer cum Demat Committee

The Company has a Share Transfer cum Demat Committee comprising Mr. Prem Adip Rishi, Mr. Rakesh Gupta and Mr. Rajesh Galhotra as members. All shares received for transfer or dematerialization, as the case may be, were either approved and/or registered within the prescribed time period, or a letter showing the requirement for correction of errors or the discrepancies were sent to the concerned members. As on the year end i.e. 30.06.2010, there was no

case of pending request for transfer or dematerialization beyond the stipulated time.

The details of meetings of Share Transfer cum Demat Committee:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Prem Adip Rishi	24	24
Mr. Rakesh Gupta	24	24
Mr. Rajesh Galhotra	24	24

d. Shareholders Grievance Redressal Committee

Your company has also constituted Shareholders Grievance Redressal Committee to look into Shareholders' grievances and complaints and to resolve them satisfactorily and improve the quality of investor services.

Mr. Suresh Kumar Varma, Director of the Company, chairs the Committee. The other members of the Committee are Mr. Rajesh Galhotra and Mr. Rakesh Gupta, Directors of the Company. The Company Secretary of the Company is the Secretary of the Committee.

The Committee met four times during current year on 26.09.2009, 31.12.2009, 31.03.2010 and 30.06.2010, to review all investor grievances and ensure their speedy redressal. All the complaints received during the year under review regarding non-receipt of securities after transfer / transmission, requests for change of address and other complaints were resolved.

The attendance at the Shareholders Grievance Redressal Committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Suresh Kumar Varma	4	4
Mr. Rajesh Galhotra	4	4
Mr. Rakesh Gupta	4	4

4. General Body Meetings

The particulars of the last three Annual General Meetings:

Year	Date	Time	Location	Special resolution
2008-2009	29.12.2009	11.30 A.M	MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054.	1. Appointment & remuneration of Managing Director under Section 198,269,309,310 and 311 read with Sch. XIII of the Companies Act, 1956. 2. Alteration of Articles of Association of the Company under Section 31 of the Companies Act, 1956.
2007-2008	23.12.2008	11.00 A.M.	Air Force Auditorium, Subroto Park, New Delhi-110010	Change of name of the Company from Media Video Limited to MVL Industries Limited u/s 21 and 31.
2006-2007	28.12.2007	10.00 A.M.	Air Force Auditorium, Subroto Park, New Delhi-110010	NIL